CORRECTED FISCAL NOTE

SB 1803 - HB 1610

March 7, 2005

SUMMARY OF BILL: Establishes requirements for the redesign, sale, contract, lease or sublet of children's products by commercial users and prohibits the user from selling or leasing any unsafe product. Violations by commercial users are a Class C misdemeanor. Requires the Department of Health to make a comprehensive list of unsafe products available to the public; notify child care facilities of unsafe children's products; promulgate rules and regulations to effectuate the purposes of the act; and prepare a certification form and require each facility to complete certification process during licensing or license renewal. Violations by facilities will result in a license being revoked or not renewed.

ESTIMATED FISCAL IMPACT:

On March 7, 2005 we issued a fiscal note which indicated the estimated fiscal impact stated below. Based on additional information provided by the Department of Human Services, we have added the italicized third assumption.

(CORRECTED)

Increase State Expenditures - \$129,500 Recurring \$10,200 One-Time

Increase State Revenues - Not Significant

Increase Local Govt. Revenues - Not Significant
Increase Local Govt. Expenditures - Not Significant

Assumptions:

- The Department of Human Services will continue to license and regulate child care facilities.
- The Department of Human Services will need additional positions and related expenses to enforce the provisions of the bill.
- The Department will not be required to evaluate on-site every child's product in every licensed child care agency. Instead, the Department's Evaluators will monitor the providers for compliance with a "self-certification" of compliance and for the maintenance of a folder, which contains unsafe product notices. Should such assumption be incorrect, expenditures could increase by \$969,500 for salaries, benefits, and other related expenses for 19 additional positions.
- Some increase in cases in the court system, which will result in additional state and local government expenditures for processing the cases and additional state and local government revenues from fees; taxes and costs collected. However, such increases will not be significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

Jam W. White

James W. White, Executive Director